Russia: Europe in Asia

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Part 1: Fundamentals

Main Historical Events

Russia has a long and rich history. An insight is necessary to comprehend its culture, however, several elements render its description difficult:

- The absence of written language before the ninth century. Literally speaking, prehistorical Russia ended with the creation of the Cyrillic language in the ninth century by the monks Cyril and Method. No proven documents are available prior this date. The first scientifically proven document is the Priomy, which dates from the late eleventh century.

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- The second reason lies in the fact that Russian rulers (they were not the only ones) had a tendency to rewrite history. The chronicles were written in imperial or in Soviet Russia consequently stressed one aspect of history over another according to their then-current situation.
- Finally, the remote geographical location of the country (extreme East of Europe, West of Asia and North of ancient trade routes) reduced the number of foreign travelers and ambassadors, usually a precious source of knowledge of ancient history.

The Birth of a Civilization, Kievan Rus'

While some prehistoric hunters have been traced back to 40,000 BC in the Don river region, modern Russian History begins usually with the reign of Vikings (also called Varangians) who either took power or were invited to do so (historians are still divided on the subject.).

One of the founding events is the creation of the free city of Novgorod in the late ninth century. The first cities of what was to become Russia always enjoyed a lively trading life: fur, amber, hemp, or honey were the main tradable resources of the region, which was on a trading route between the Black and Baltic Seas.

The Christian religion appeared in Russia when Prince Vladimir imposed his faith on a pagan population in a territory which represented a fraction of what Russia is today. By the middle of the twelfth century, the region was organized into principalities loosely united around the "Grand Prince of Kiev and all Rus".

In less than 30 years, Mongol (or Tataro-mongols as referred to in Russian) fighters took over all the principalities of Kievan Rus' in the thirteenth century. Following, their failure to take over the rest of Europe (thick forests are believed to be the most effective barriers), they retreated and kept the Rus' lands under their yoke. Ruling indirectly, they relied on the Princes to keep order and to collect taxes.

Slowly the power of Kiev declined and the center of power moved North, to the region of Moscow, a city created in 1147. When Constantinople fell to the Turks in 1453, The Russian Orthodox Church declared Moscow the "Third Rome", that is the center of

civilization that was built after the fall of the two previous "Romes": Rome and Constantinople. Moscow would then become the center of the country for several centuries.

Fifteenth Century—the Rule of Moscow, the End of Democracy

In 1480, almost 300 years after their conquest, the Tatars were defeated at Ugra by the troops of Ivan III, Prince of Moscow—without a battle. By the end of the fifteenth century, all but a few principalities were under the control of Moscow. With a newly united territory, Ivan III started reforms, such as the instituting of serfdom. At a time when most of Western Europe was coming out of serfdom, Russia enforced it on peasants who had enjoyed relative freedom before. In a way, this was the end of a sort of democracy in Russia (Fig. 1).

When questioned about the most democratic time in Russian History, it is tempting to point to the times of Novgorod, with cases of elected (or invited) rulers such as Alexander Nevsky. Moreover, Novgorod is not the only town in the north of Russia to have enjoyed such status, Pskov, a city near Novgorod, is another famous one.

Forceful ruling of the population is therefore not as natural in Russia as some claim. The old Russia was a country ruled by councils of representatives, free craftsmen inhabited the cities, and the villages in the countryside were organized into communes called Mir, where decision-making was collective. Once the taxes were paid to the Prince, the citizens had the possibility to keep some profits.

It all ended with the permanent linking of the peasants to the land they were cultivating. In 1646, a law forbade most of the peasants to move freely (North of European Russia, e.g., Archangelsk region, and all the territories eastwards from the Ural Mountains never had serfdom). This attachment to the land never really ended, as the serfs were still forced to reimburse their land rent after the abolition of serfdom in 1861 and subsequently forced into Kolkhoz when the Soviets took power. Only the Cossacks, known for the fighting skills, retained relative freedom until the Bolshevik revolution.

Fig. 1 Western part of Russia (http://d-maps.com/carte.php?num_car=30398&lang=fr)

Sixteenth Century—Ivan IV, the Terrible

The grandson of Ivan III, Ivan IV, took the Russian throne in 1533 at the age of three. At 16, he crowned himself "Tsar of all the Russias," becoming the first ruler of Russia to take this title derived from the Latin "Caesar".

Ivan's reign is probably one of the most famous in Russia and abroad, but also the most mysterious. Handsome and talented, he was absolutely loved by his people for clever ruling and for finishing the reconquest of Russia by taking Kazan and Astrakhan from the remaining Tatars.

He ordered the construction of St Basil's Cathedral in front of the Kremlin to celebrate this victory, and launched the conquest of Siberia, which was until then largely an unexplored territory… But then, everything went wrong. His beloved wife died under mysterious circumstances, probably poisoned. Ivan's reign became *terrible* after her death.

Tortures, persecution, and massacres became legendary and gave him his notorious nickname. He is also known to be the first ruler to create what can be called a Secret Police by forming the "Oprichnina", a gang of thugs who took possession of an entire district outside the Kremlin and reported only to the Tsar. He remarried many times and lived a recluse, paranoid life outside the Kremlin walls, where he is believed to have killed his son, Ivan, in a fit of rage.

This image of Ivan the Terrible is the one favored by most Russians and their rulers. He incarnates the ultimate tyrant, being also the founder of Greater Russia. In order to support the theory that Russians like to be ruled by tyrants, it is often said that after abdicating in the middle of his (already terrible) reign, Ivan IV was begged by the boyars (old Russian aristocrats, advisors to the Tsar through the assembly called the Boyarskaya Duma) to come back to rule them again…

His death brought chaos to the country, known as the Time of Troubles, which saw many power struggles between the boyars (the Tsar was officially elected from among them), some adventurers such as the two false Dmitris (two usurpers, who managed to seize power in Russia, each claiming he was the son and heir of Ivan the terrible), and foreign powers such as Poland.

Finally, a people's revolt defeated the Poles and called for an Assembly of the Land to elect a new leader. As seen later, with Napoleon's war or WWII, it was only the first in a long list of popular uprisings that have often saved the country.

1613—The Romanov Dynasty, Peter the Great

From an influential boyar family, Mikhail Romanov was chosen in 1613 to become the new Tsar. His dynasty ended 304 years later, with the abdication of Nikolai II in 1917.

The seventeenth century was a time of territorial expansion. After the conquest of Siberia, Smolensk, and Kiev also became part of the Russian Empire, as the Russians came to help the Cossacks fight off the Poles.

Probably, the most famous member of this dynasty is Peter I, the Great. He is the true Russian monarch the population likes to remember. A giant 2 meters tall, he turned Russia for the first time into a power the world had to reckon with.

His fame is deserved as he transformed Russia into a modern state and proved to be a skilled ruler in the process. In terms of territorial expansion first: Dreaming of opening the country to the West and fascinated by the Navy, he seized the Gulf of Finland and lands on the Baltic Sea from the Swedish Empire (Treaty of Nystadt in 1721). He also took over the port of Azov from the Crimean Tatars on the Black Sea. From Tsar, the Senate named him Emperor of All the Russians after his victory over the Swedes.

Geopolitically, he engaged in active relations with the West, ending the relative isolation of the country. His culminating point was his trip to Europe, the first ever by a Muscovite Tsar. He returned from Europe with modern ideas, knowledge in shipbuilding, and more than 1000 experts from various countries.

However, his longest lasting mark on Russia stemmed from his shaping the country. He created numerous institutions, such as the Naval Academy and the Academy of Sciences. In 1703, he started the construction of a new city in the swamps between the Ladoga Lake and the mouth of the Neva, which was to become the new capital Saint Petersburg. All means were used as the city was literally built on the corpses of convicts, forced-labor peasants, and requisitioned craftsmen. An estimated 30,000 people died during the first few years of construction.

Peter's reign, full of splendor, was not, however, an enlightened one. Fond of military order, he instituted the Table of Ranks in order to have the Nobility at his complete disposal. At that time, the only activity

available to noblemen was a career in the military. They acquired title, land, and serfs through military bravery. Under such a system, the Tsar, as ultimate power, could make or destroy any career at will.

He also created his own understanding of a parliamentary monarchy by setting-up a Senate. However, democracy (as a system in which the population chooses its own ruler) was absent from this move as all the members of this Senate were appointed by the Tsar.

He also made sure that the Orthodox Church would remain under his direct influence by not replacing the Patriarch at his death and by creating a Holy Synod, also composed of members appointed by the Tsar.

This transformation of the country went so far as to modify the way people dressed and spoke. Strongly influenced by his trip to Europe, Peter ordered men to shave and to wear precisely designed German types of uniforms. Failure to shave or to have the proper number of buttons on one's redingote was fined. (The table of ranks had 14 different levels and each had its own uniform…) Peter also strongly suggested that the nobility learn and speak European languages such as French or German. Wishing to reshape Russia according to modern standards, he introduced a new calendar in 1700 (Julian, 13 days behind the Gregorian calendar used in the Catholic part of Europe). Until the decree, the years were counted from the then-believed creation of the world, in 5509 BC. The following day of December 19, 7208 happened to be January 1, 1700!

Having decided to turn Russia into a new powerhouse, Peter subsidized many new industries using forced labor, that is, serfs, and subsequently created numerous new taxes. For instance, near St. Petersburg, the Petrodvorets factory is still operating today, making the famous Raketa watches.

Yet, maybe even more significant is the launch and support of the first Russian industrial region, the Urals. Indeed, a new country was created during his reign. However, the massive industrialization of the country, the continuous warfare and the construction of Saint Petersburg cost Russia dearly both financially and in manpower: At the end of his reign, public finances were in disarray and the population had declined by 20%…

Peter is rightfully remembered as a great ruler. However, in order to better understand Russia today, one must look not only at the results, but also the means of Peter's reforms.

1762—Catherine II

Like the few women in present day Russian politics, Catherine II, and her historical image suffered from two handicaps: She was a woman, and she was not Russian.

She came to Russia at the age of 15, to marry future emperor Peter III. She quickly adapted to Russian life by learning the Russian language and by converting to Orthodoxy. Russia, like England, had no obligation to have men as sole rulers. Thus, Catherine seized power in 1762 at the age of 33, forcing her husband, Peter III, from the throne.

Her reign is renowned mainly for the confirmation of Russia as a world power, the expansion of the Empire, and the enlightenment of the court. The expansion of the empire led to the completion of the "gathering of Russian lands." Belorussia was conquered from Poland while Crimea would become part of Russia in 1792 from then on, until 1954.

This period was also one of strengthening of the authoritarian regime. The Nobility received more powers over their serfs while—subsequently—the well being of the population (increasingly non-Russian) was neglected. While other powers were having their revolutions, Russia was going against the European flow, increasing serfdom among peasants. When the French revolution ended monarchy, Catherine's Russia broke diplomatic relations.

Nineteeth Century—Alexander I, Napoleon, and the Decembrists

It is not possible to present the reign of Alexander I without talking about Napoleon's invasion of Russia.

Alexander spent most of his reign at war against Turkey, France, England, Persia, or Poland. The decisive war, however, was against

Napoleon. The two Emperors, respectful of each other, understood after Tilsit (1807) that each power could have its own destiny. Both spoke French and at that time the Russian aristocracy saw France as a model.

Therefore, when in 1812 Napoleon launched his attack on Russia, the country was literally taken aback. Despite an early advantage, Napoleon made several misjudgements: the severity of Russian winter, the determination of the Russian people and the typhus then endemic in the eastern lands of Europe. Most of the soldiers of the "Grande Armée" were not French and were not fighting for their motherland. As Napoleon found razed village after razed village (a brilliant idea of Kutuzov), the strength of his army eroded. The final act in this protracted play was Moscow. Although Napoleon did finally take the city (which was not the capital), his troops were exhausted and it took only a spark to reverse destiny.

A few Russian patriots set Moscow on fire and Napoleon had no other choice but to retreat. Amid terrible weather conditions, the "Grande Armée" started what would become the famous "Retreat from Russia".

Later, Russian troops even stayed in Paris for more than a year before the Treaty of Paris was signed in 1814. During all this time, the officers had the opportunity to observe what a modern, enlightened (though not democratic) country looked like, even when defeated. Upon their return to Russia, a group of officers plotted to modify the regime. This small group of less than 30 officers was mainly asking for limited changes such as a stronger parliament and the emancipation of the serfs. Only a few extremists were calling for the abdication of the Tsar.

However, the victory over Napoleon was seen in Russia as symbolic of the all-mighty power of the Tsar and the Orthodox Church. These liberal ideas came to an end in December 1825 (hence the name *Decembrist*), when there was an attempt at revolt against the new Tsar, Nicholas I. The officers involved were executed, deported to Siberia, or deprived of their titles and estates. This reaction was enough to calm any desire for reform for quite some time.

Alexander II and Alexander III

Alexander II is a Russian Tsar who, unfortunately, is not well known abroad. He became Emperor in 1855, before the end of the Crimean war. This war, lost to Great Britain, France, and Turkey, was a blow to Russia's prestige. Russian inadequacy in military equipment and tactics was strongly resented in the country.

The modernization of the country was an absolute necessity. After much hesitation and lobbying by the Nobility, a law was passed in 1861 which abolished serfdom. Rightfully seen as a step toward more justice, the terms were a far cry from complete equality or total freedom. Indeed, serfs were free and could own their land, but this land was given to them (purchased from the land-owner with a government-guaranteed loan) was often too small. Moreover, the peasants still had to reimburse their plots by annual payments. Obviously, Russian peasants were still far from the freedom they had enjoyed before the implementation of serfdom.

This apparent openness actually masked deeper conflicts within Russian society. A number of secret organizations with revolutionary ideas mushroomed in the 1860s and 1870s. In the cities, the tempers flared and a number of government representatives or Nobles were killed. In reprisals, revolutionaries were deported or executed. In 1881, after several attempts, a bomb in St. Petersburg fatally wounded the Tsar.

His death, surprisingly, created the opposite effect to the one expected by the plotters. Alexander III, the new Tsar, drew back from the upcoming reforms and a new conservative cycle started. The zemstvos (local assemblies) lost much of their power, education was restricted, and peasants were again under the direct influence of the former landlord or the representative of the government (often the same person).

Various economic and administrative reforms of these times (particularly the abolition of serfdom), however, created impressive economic growth for Russia. Loans were proposed to peasants to buy land and at the turn of the century, only 20% of the land was owned by the nobility.

However, the living conditions of the peasantry remained poor. In addition to duties and taxes paid to the state, the inefficient agrarian

techniques gathered large numbers of peasants on small land plots, creating poverty for all. The anachronism of the village commune, where profits were distributed evenly prevented any entrepreneurial spirit.

Capitalism, nevertheless, was developing in the country. The construction of railroads with the help of foreign techniques and capital (mainly from France and Germany) shaped a new industrial face for Russia. At the turn of the century, Russia was a leading exporter of oil, metal, and textiles. The reforms of Sergei Witte, the first minister of Transport (hence, he was credited with the construction of the Trans-Siberian train line), then Minister of Finance and finally was named Prime Minister, increased the attractiveness of Russia in for eign eyes. Manufactures flourished in cities, hence leading to a massive inflow of peasants to the urban centers. Witte's aim was to create a stable monetary system, neither undermined by the constant wars (Crimean, Russo–Turkish, Russo–Japanese) nor by corruption. By adopting the Gold Standard, he assured Russia the world's largest gold reserves thanks to favorable conditions for foreign investment while raising customs tariffs and establishing a State monopoly for the sale of alcohol.

1905 Revolution—Stolypin's Reforms

The economic recession of 1900–1903 (during which about 30% of the labor force lost their jobs) and the defeat of the Russian Empire in the Russo–Japanese war of 1904–1905 led to the Revolution of 1905–1907. Massive revolutionary revolts started after the so-called Bloody Sunday,— January 9, 1905, when about 1000 people were shot to death and 3000 wounded by the army during a march.

These general strikes and violent peasant revolts marked the "dress rehearsal" for the October revolution. Opposition movements increased their visibility. A new party, created by liberals, the Constitutional Democratic Party (the Cadets), demanded the right to be represented in the parliament (the Duma). The Social Revolutionaries (the SRs)—a party of the peasants, was asking for the creation of a constitutional assembly. Lenin's Bolsheviks (extreme wing of the Social Democrats) called for an "uninterrupted revolution".

The Tsar was forced to give in and granted his people some rights in the October Manifesto: freedom of speech, of the press, of assembly and of association.

A conservative and a monarchist, Petr Stolypin became the first minister of home affairs and then, in 1906, Prime Minister. His famous agrarian reforms aimed at the creation of a social class of farmers (American type), who would be freed of the commune and become owners of their land. While not sufficient, their results were impressive: 15% more cultivated land (1901–1913), one million new settlers East of the Urals (Siberia and Far East) making Siberia an important grain-producing area. The production of raw cotton, sugar beet, potatoes, and livestock also increased significantly.

Although the growth of industrial production was obvious, Russia remained an agricultural country with only 6% of its exports being manufactured goods. Stolypin was hoping for "twenty years of domestic and foreign peace", promising, that people "would not recognize present day Russia." The country enjoyed record growth rates, along with the USA and Japan, two other future world powers. However, instead of 20 years, there were only 5 years of peace, which proved to be far from enough to modernize the country: in 1914, the Great War was about to change the course of the country again.

The First World War

Despite the profound changes it triggered, World War I is often perceived in Russia as a minor event. Russians take it mainly as one of the roots to the revolutions of February and October 1917. With 15 million peasants conscripted by 1917, the war created enormous unrest among the population. The result of which was the revolution of February 1917, when the tsar Nicholas II abdicated, and first the Duma took power, with the formation of a provisional government a few days later.

The provisional government appeared to be paralyzed and inefficient: the unpopular war continued, and the "land issue" (that is, providing peasants with land) was not addressed. On October 26 (November 7) the provisional government fell to a Bolshevik coup and all the key

official institutions in Petrograd were taken over by the sailors and workers organized by Lenin and Trotsky. The first decrees of the new government were the Decree on Peace, i.e., the withdrawal of Russia from the war, and the Decree on Land that is the abolition of land ownership and redistribution of it among the peasants, which was never carried out.

1917–1991—Soviet Russia

Russia has always been more or less detached from the rest of the world; with the Bolsheviks taking power in October 1917, this isolation grew.

The Soviet Union, created in 1924, overcame gradually the consequences of World War I, the revolution and the civil war that broke out afterwards. The policy of War Communism introduced administrative measures of control over the economy. Complete nationalization, food distribution (forcing peasants to surrender all foodstuffs to the government which distributed them in the towns, thus causing revolts in the countryside), work control in the industry (workers controlled the production process), and hyperinflation (created purposefully, to rid the country of money…) Russia had become, in a few months, a communist state.

War communism failed, even by Lenin's standards. In 1922, in a clear reversal of policies, his government launched the so-called New Economic Policy (NEP), that is "state capitalism". A little known example of economic cooperation at the time was that the Bolsheviks let Germany have some military enterprises on Russian soil, as it was not allowed to have a defence industry after World War I.

In the second half of 1920s, with the revival of the economy, Stalin's administration turned to industrialization of the country "to make it strong to fight with capitalists and foment world revolution." Industrialization was carried out at the expense of the peasantry, as the state established low prices for agricultural products and high prices for industrial goods.

In 1929, collectivization started—a dramatic page in Soviet history, when millions of people were moved from their homes, imprisoned, and starved at the beginning of the 1930s, especially in Ukraine. The NEP was cancelled and a planning system was established. Quite

tellingly culturally, while all the 5-year plans had been always reported as fulfilled ahead of time, in reality, none of them had ever been completed. Another characteristic of the Soviet economy was the massive use of prisoners for the construction of railways and canals. Prisoners often worked in mines, as they were an extremely cheap labor force. Many of them died.

Only in the second half of the 1930s were collective farmers, members of "kolkhoz" allowed to cultivate small plots of their "personal" (yet, not "private") land, and sell the excess production on local markets. Agriculture for decades could not overcome the consequences of such a policy. Indeed, it never recovered. Although reported otherwise, in reality, the economy had hardly reached its pre World War I level by the beginning of World War II.

For most Russians citizens, the "Great Patriotic War" began in 1941 with the attack of Soviet Union by Hitler and ended with the Red Army taking Berlin in April 1945. The parts of the war before (Belgium, France, etc.) and after (Pacific Rim) are largely unknown, the Molotov-Ribbentrop agreement is most downplayed and the various battles engaging the Allies around the world (Northern Africa, Arctic, Overload, etc.) are considered as secondary to the effort produced by the Soviet Union. As of today, it remains a touchy topic to discuss.

Postwar Soviet Union

After the war, the Soviet Union continued its policy of isolation from the Western world. The Yalta conference in 1945 legitimated the de facto control of the newly formed eastern block, countries liberated from Nazi occupation by the Soviet troops. The Marshal Plan, while proposed to all European countries, was refused by the ones influenced by Moscow. The Cold War began soon after.

Already in the 1930s the Soviet population was repressed in large numbers, The iron fist of the all-mighty leader, Joseph Stalin threatened all categories of people, from scientists and military officers to ordinary citizens. Repressions continued after the war, targeting also people from the territories occupied by Nazi Germany easily accused

of collaboration. Only Stalin's death in March 1953 stopped massive arrests. It still took a few years for Nikita Khrushchev, the new Secretary General, to condemn the policy of Stalin and the cult of his personality at the twentieth communist party congress in 1956.

Khrushchev's time, known as "the Thaw", is remembered for its de-Stalinization and for some liberalization of the internal and external policies of the USSR. As a response to the creation of NATO, the Soviet Union initiated the Warsaw Pact in 1955, which was put to use to suppress the Hungarian revolts of 1956, and in 1968 in Czechoslovakia. The COMECON, in 1962 was the answer to the newly formed EEC in the economic sphere.

While cooperation with Western countries was very limited, it did not end completely. The most successful project is probably the localization of the popular Italian carmaker Fiat in Togliatti, in the center of Russia in 1970. Millions of Lada cars were subsequently produced in this gigantic factory. The country went on developing heavy industries, ignoring the needs of its citizens, and creating a lack of goods of common consumption (a phenomenon called "Deficit"). This led to a flourishing black market and to widespread corruption. In some fields, the Soviet Union achieved considerable success, in particular in space technology and military production. Yuri Gagarin became the first man to orbit the Earth in 1961.

Economy-wise, the 1970s and the 1980s were times of stagnation. While all production plans were officially met and even exceeded, the reality was the opposite. This entire masquerade came to an end with Perestroika. For the first time, people could see the futility of their efforts. The shock was terrible and the repercussions are still being felt. Although few believed in the bright idea of Communism by the 1980s, how can one not be disillusioned and therefore nostalgic when one discovers that all the sacrifices in the name of the march toward Communism were in vain?

Perestroika and the New Russia

Mikhail Gorbachev, who became General Secretary of the Communist Party in 1985, tried to democratize the existing socialist system through

two major reforms: Perestroika (economic reconstruction, i.e., liberalization) and Glasnost (transparency, as opposed to corruption and secrecy on everything concerning "state interests").

While Gorbachev is highly respected in the Western world for having lifted the "iron curtain" and having brought down the Berlin wall, he is generally hated in Russia for "having destroyed the Soviet Union" and for not being able to better the economic situation in the country. With an oil price well below 20$ per barrel and an economy in disarray (staple food rationing had been introduced in some parts of the country already at the beginning of the 1980s) few alternatives were indeed possible. Last but not least, he is still criticized for an antialcohol campaign, which saw bootlegging reach an all time high. Paradoxically, only a few people associate this policy with the surge of life expectancy at the same time…

In August 1991, after the unsuccessful coup-d'état by communist hardliners, the first and only President of the USSR had to step back. The disintegration of the Soviet state had already started with the election of Boris Yeltsin as President of Russia in June of that year. Eight years later, the diminished and unpopular Yeltsin would step down, appointing the then Prime Minister Vladimir Putin as his successor in 1999.

Elected President in 2000, reelected in 2004, Vladimir Putin swapped his place with long-term right-hand Dmitry Medvedev in 2008 but continued to exert strong influence, in particular, in foreign Affairs. The two swapped places again in 2012, hence bypassing the constitution limit to 2 "consecutive" terms as president. Because the term had been expanded in 2008 to six years, the next election is due only in 2018.

The fourth period of leadership of Vladimir Putin has transformed the country. The new term in 2012 saw massive demonstrations in major cities from citizens complaining about what they considered unfair parliamentary elections. Several controversial laws have been voted, all directing the country toward social conservatism (in particular regarding homosexuality or religious Blasphemy).

But the rumbling mostly took place abroad. The so-called Euro-Maiden revolution of 2013 in Kyiv led to the ousting of then president Viktor Yanukovych who fled to Russia in February 2014. Amid the turmoil that spread across Ukraine, Russian soldiers stationed in

Crimea took over the strategic buildings of the autonomous region. In this unconventional situation, a controversial referendum demanding Crimea's annexation to Russia was organized in a few weeks' time, on March 16. With an official result of 95% favorable, the territory joined the Russian Federation almost immediately. On March 27, 2014, the UN General Assembly approved a resolution describing the referendum leading to the annexation of Crimea by Russia as illegal.

Armed pro-Russia separatists supported by the Russian authorities have also declared independence in the Eastern region of Lugansk and Donetsk, fuelling a regional war against Ukraine's national army supported by private militias composed of volunteers displaying strong nationalist opinions. According to the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the conflict, by 2017 had claimed nearly 10,000 lives.

Finally, Russia has regained geopolitical attention through its engagement in the Syrian conflict since 2015, militarily supporting the Assad regime against the rebels, illustrating the decades-long traditional alliance between the two countries.

Constant Variables

Three variables emerge when an overview of Russian history is conducted:

The Central Role of the Government

From the Kievan Rus' until today, Russia has been led by leaders who play a central role in the direction and development of the country. While Peter I and Catherine II come immediately to mind, Alexander II and, of course, the Soviet figures of Lenin and Stalin can easily complete this list.

While citizens from other countries may expect changes and development to come from regions or from individuals (or companies), Russians have always been presented with one option: The Government

is in control. After a few years of wandering, it appears the current state of affairs has returned to this variable, with the Russian government actively involved in divergent fields such as natural resources development and trade, High-Tech development' or media production.

A Non-equalitarian Society

By its very nature as an absolute monarchy, the Russian empire was never egalitarian. The Tsar had the literal right of life or death over any living being in the empire. Boyars were no exception to the rule and quite a few regretted dearly their disbelief in Ivan IV, the Terrible.

It was only in 1861, that Alexander II abolished serfdom, which concerned 60% of the population. But the newly freed serfs remained strongly attached to their masters, as they had to "buy back" their land, at a life-long cost. Up to 1917, inequality was a fact of life.

The enermous power of the ruler over all the subjects was thus engraved in stone. At one end of the spectrum was the poor, right-less serf, and, at the other end was the absolute, deified Tsar. In between, stood a multitude of ranked citizens, all bowing to the Tsar.

The organization of Russian society today, looks much the same. The right-less citizens are pensioners or dwellers in remote villages, while a number of state employees, officials, business people, and oligarchs still follow some virtual ranking. Above everyone stands the President who can decide virtually everything within the borders of the country.

An Ambiguous Relationship with Western Europe

Napoleon did more than simply attack Russia. He also ended a century of the intellectual, cultural and moral connection of the Russian élite with the Western one. Ever since, Russia has been questioning its links to the West. However, the leitmotiv of Russia's being a "third Rome" is counterbalanced by an equally old obsession of catching up with the West and using it as a model to follow.

Peter wanted Russia to become European. Foreign languages such as French and German were spoken in many noble families until the early

twentieth century. Foreign companies were actively courted to invest in the country throughout the nineteenth century. On the other hand, by numerous accounts, the Soviet leadership pledged to impose their system on the West.

Today, most Russian politicians continue to feed this ambiguity with very strong anti-Western public stances in parallel with organizing elaborate ways to purchase property abroad, to send their children to study abroad, and even to acquire foreign passports.

Russian Identity Today

It is claimed that Alexander Pushkin declared that "Russia is unfinished". As of today, it sometimes looks like the country suffers a permanent identity crisis. The reference in this "nation building" has become a mix between an idealized tsarist period, and the positive results of the Soviet system. The role models are not clearly identified: Few heroes, such as Alexander Nevsky or Yuri Gagarin have received a plebiscite.

References are also mixed. The 90s saw many symbols from last decades of the Russian empire brought back into fashion. The double-headed eagle was quickly brought back, the Fabergé eggs were given back to the Kremlin, a monument to the Tsar's family shot dead in Yekaterinburg was built and their ashes were brought back to St. Peter and Paul cathedral in St. Petersburg.

However, a visitor in Russia cannot miss the obvious references to the Soviet past nowadays. Since the beginning of the 2000s, it appears as if the country has decided to rehabilitate Soviet symbols such as the anthem of the Soviet Union that was reintroduced in 2000 (with modified lyrics written by the original author!). Many billboards feature Soviet-style design and font, restaurants appeal to Soviet memorabilia with concepts like the "Soviet Dinner," "Soviet Café," or "Stolovaya" (Russian equivalent for canteen). More than 20 years after the fall of the Soviet system, and despite a number of design changes, Aeroflot Russian Airlines still bears the hammer and sickle on its logo and on its uniforms. This return of Soviet symbols in Russian society should not be ignored as they showcase the ambivalent feelings many in the

population have about the past. It must be noted that such tolerance toward Soviet times is mostly limited to Russia; none of the Eastern European countries that were formerly under Soviet control display it. Quite the contrary, monuments and museums condemning the Soviet system exist in many ex-communist capitals such as Riga or Prague.

As far as the organization of society is concerned, it looks more and more like that of tsarist times: Religion is a branch of the ruling power, "Oligarchs" enjoy a proximity to the country's leadership very similar to the "Boyars" of the past, commoners are being deceived (such as the Russian social welfare monetization of 2005) and the President has a level of power witnessed only in a few non-monarchies.

To our mind, the political structure of Russia today resembles that of the feudal system, with a fragile tsar maintaining the tensions among the various forces (bureaucracy, security forces, nationalists) in a status quo meant to safeguard his regime. It would be against all odds if the near future sees a different type of regime but, as events in Ukraine in February 2013 showed, by definition changes of regimes are unpredictable.

Geography

Russia is big, very big. At least from a geographical point of view, there is no bigger country in the world. With a surface of 17,075,400 square kilometres (6,592,800 sq mi), it covers more than one-eighth of the Earth's inhabited land area. For the sake of comparison, imagine one country comprising India, the United Sates of America and the entire European Union. Russia is this big, and Russians are proud of it (Figs. 2, 3).

Actually, the vastness of the territory is probably the single characteristic the Russian population most identifies with. When talking about the country, references to the size of the land come instantaneously, sometimes with a little link to the topic. While the military or ideological might of Russia has faded away since the end of the USSR, the size of its territory has not. The underlining rationale is:

Big territory = Large population and resources = Strong political and military power

Fig. 2 Maps of Russia and its neighbors (http://d-maps.com/carte.php?num_car=4264&lang=fr)

Fig. 3 Maps of Russian main cities and rivers (http://d-maps.com/carte.php?num_car=24967&lang=fr)

If this were true up to the First World War, it is subject to the discussion today. Yet, with such a vast territory, spanning nine time zones, it has become an essential part of the Russian cultural roots. From early on in its history, size has been both a key asset and a liability for the Russian people.

Russians are used to large distances. This is true not only between cities, but also within cities. The reason is the relatively late development of the Russian cities. The districts where people mostly live today in large towns are quite new. Omsk, a city of more than a million inhabitants, 2700 km from Moscow, has existed since 1785. Novosibirsk, the third most populous city in Russia with 1.5 million inhabitants and capital of the Siberian Federal District was founded in 1893 while Murmansk is not a century old yet.

This relatively modern development also explains the quasi-uniformity of towns separated by thousands of kilometres. Thus, nothing resembles a district of a Russian town more than another district of another town. A popular Soviet comedy, The Irony of Destiny, plays on this truth.

If the territory of Russia were populated only recently (by historical standards), this recent phenomenon also explains the homogeneity of the Russian language across the country. With the noticeable exceptions of the Caucasus region, Moscow and St. Petersburg, Russians speak with surprisingly few variations from one region to another. Differences exist of course, but not enough to prevent understanding the speaker. Only a seasoned expert of regional linguistic peculiarities can easily determine the region of origin of a Russian speaker.

That being said, differences in languages do exist. This is simply because not only Russian people live in Russia. “Ethnic Russians” (if such a term can be used) represent officially 80% of the population. The other 20% are scattered among the 83 Federal “Subjects” (also called the “constituent entities of the Russian Federation”) of the country (85 if we count the territories of Crimea). Thus, if Russian is the official language across the Federation, it is not the only one. Actually, the country is home to many languages, 27 of them official and more than 100 spoken as minority languages.

These "subjects" are of different natures. Forty-six of them are called Oblast, which means literally "region". These regions are primarily grouped around Moscow and bear the name of their main city. For instance, the Tver region (north of Moscow) has the city of Tver (pop. 400,000) as capital. The Samara region (East of Moscow) has Samara (pop. 1200,00) as its capital. But, the Amur Oblast has its administrative center in… Blagoveshchensk! (Pop. 200,000) (Fig. 4).

The other 'subjects', besides Moscow and St. Petersburg that are considered as federal cities, are called Republics. They have their own constitution and often have their own official language (other than Russian, of course). While "ethnic Russians" represent the majority of the population in most Republics, some keep a strongly homogenous population such as Tatarstan (53% of the Republic's residents are Tatars) or Kalmykia (57%). Other republics enjoy an even higher percentage of the indigenous population, mostly in the Caucasus, such as Ingushetia (94%) or Chechnya (95%) but this is mostly due to the massive departure of the ethnic Russians in the last 20 years.

Fig. 4 Russian "Subjects" (http://d-maps.com/carte.php?num_car=61281&lang=fr)

Despite those unusual cases, most Russian regions do not develop identities strong enough to threaten the existence of the Russian Federation as a unified territory.

Influence on the Russian Psyche

This strong personal relationship between the people and the territory is not unique to Russia, but here it is a key element to understanding its culture. Even, if we try to avoid the usual clichés, the very size of Russia nevertheless has an impact on how the Russian population thinks, behaves and sees the outside world.

Curiously, locals themselves often misunderstand this obsession with the size of the country. Indeed, many Russians living in the European part of the country have only a vague idea of the reality of life east of the Ural mountains. If about 20 million people live in what is called Siberia, the other 120 million frequently confuse stereotypes and reality. Without a doubt, we can link this relationship to the size of the country and the tendency of Russians to over evaluate their country (size, population, power, etc.), and to later be prone to disillusions.

The geography and the climate of Russia are often cited as reasons for many peculiarities of the country, in particular, its dysfunctions. For instance, many justify the tradition of strong leadership to the vastness of the country (someone needs to hold the territory together). It is true that long, harsh winters shape character and roughen behaviors. Also, some authors have claimed that the geography of Russia, with its vast territory, is the root of a certain feeling of isolation, leading to a mistrust of strangers. This feeling of isolation would also be responsible for a supposed collectivistic culture. It is also claimed that the climate is the main reason for Russians being pessimistic.

Pessimistic the Russians? Well, this characteristic is greatly exaggerated. If people frequently lament the troubles their country faces, when they are talking about their family, most Russians do not show pessimism. Fatalism perhaps, but certainly not pessimism. “Все будет хорошо” (Everything is going to be alright) is a set phrase employed equally by individuals and the authorities. If the climate was responsible

for the mood, people living in warm climates would logically be the happiest in the world, and this is not the case.

Actually, using geographic elements and climate as elements of culture is useful to understand the origin of a culture. However, linking precise behaviors with it is dangerous. If the theory were correct, we could use it in reverse: small countries with non-harsh climates would be democratic, individualistic and happy. It is obviously not the case.

Finally, we could also use a counter example to prove this influence greatly exaggerated: Canada. An acclaimed democracy, this country has many similarities with Russia: it is extremely large (second to Russia), sparsely populated (3.4 inhab./Km^2 for Canada, 8.4 for Russia), it enjoys a very long and harsh winter (Montréal is colder than Moscow on average) and it has developed mostly in the last few centuries. Its population is mostly of European origin, its language indo-European and its religion is mostly Christian.

Economy

Russia is a large economy. It has always been a major world economy although its profile has changed profoundly over time.

Today, all the usual institutions ranking countries by their economic power place Russia in the top 15. Some GDP models (IMF, Nominal) place Russia #12 while other (IMF, PPP) rank it #6.

Back from Hell

It is a remarkable recovery for a country that used to be the second superpower, went bust in 1991, followed by a decade of shrinking of its economy (basically the economy of 1998 was half that of 1991). The lowest point, economically and psychologically, was reached undoubtedly after the financial crisis of 1998, which came from Asia and knocked down a weakened system that had not recovered from its abrupt change from Soviet-led dogma.

This crisis brought profound changes in the economy. On the one hand, many (almost all) investors left the market, creating a serious slowdown. When added to the collapse of many banks (with the clients' savings) overnight, it is clear the consequences were extremely painful for the entire population. On the other hand, the near absence of foreign competitors and the drastic reduction in imported goods due to the devaluation of the Ruble was a welcome event for many companies that had managed to adapt to the new situation. Many large Russian companies today began to develop seriously on the ruins of the 1998 crisis.

In the following decade, the Russian economy grew every year. This recent growth can be explained by several factors. The arrival of Vladimir Putin on the last day of 1999 finally brought a sense of stability and a roadmap to the development of the economy, even if no clear program has ever been presented. While his first term followed more or less the vague direction of the liberal-minded Yeltsin era, a sharp turn took place after his re-election in 2004 with a strong preference for state intervention at all the levels of society: TV channels were either closed or purchased by state-related companies, such as Gazprom media, tycoons were tamed or forced into exile, and most importantly, natural resources (gas in particular) were chosen as the prime vector for recovery.

If the GDP of the country recovered and even doubled over this period, this phenomenon needs to be tempered by the fact that the world GDP also nearly doubled during this decade. Actually, a majority of post-communist countries experienced a similar fate: sharp economic contraction in the 1990s and a recovery in the 2000s.

The Time of Gas and Oil

Russia is different from most other countries in the region of Eastern Europe because of the role of natural resources in its economy. Until 2003, the oil price hovered between $20 and $40 per barrel. Starting in 2004, it grew constantly to reach $140 at its peak in 2008. Countries exporting oil-related products became extremely rich during that decade. The Russian leadership maximized its revenues nominally and

quantitatively by simultaneously collecting an export tax and by developing the volume of petrochemical products to Europe taking key steps such as the construction of new pipelines (Nord Stream in particular). This rapid development, mainly based on the natural resources, has fulfilled the objectives of turning the country into a global commodity player. Russia is one of the leading producers and exporters of oil and gas, but also of minerals and metals. All these export commodities are extracted from the soil with no or minimal transformation and therefore limited added value to the international market price.

If the common wisdom in Europe presents the Continent as dependent on Russian gas, the reality is otherwise. Indeed, if the European Union imports up to a third of its gas from Russia; Gazprom, the main exporter, sells 2/3 of its exports to the European Union. Clearly, the dependence in place is not the one many believed.

The Dutch Disease Syndrome

The Russian dependency on gas and oil has hidden consequences that negatively effect the entire economy. It is called the Dutch disease syndrome. This economic process appears when a country enjoys a sudden inflow of capital, often from natural resources. A vicious circle takes place slowly over time, as the money coming from the resources becomes a competitor to the wealth created through innovation in general and manufacturing in particular. In other words, when we become rich rapidly, we stop producing goods because it is easier to simply import them ready made (Fig. 5).

Many petro-economies suffer from this syndrome, with extreme cases such as Qatar, which is obliged to import everything, including drinking water. Russia, once again, differs from the group that went from poverty to oil-rich. Russia had been, for most of its history, reliant on its agriculture and its industry to develop. The stereotyped image associated with Russia has long been a worker in a factory, and not a commodity trader in an office.

Today, the situation of these two historic sectors is in disarray. Light industry, in particular, is in poor shape, having successively suffered

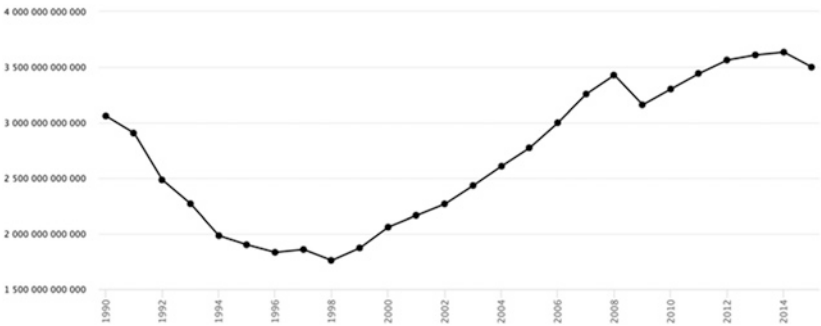

Fig. 5 Russian GDP 1989–2015 (Reprinted with permission from Perspective Monde, University of Sherbrooke, http://perspective.usherbrooke.ca/)

from USSR governmental plans favoring heavy industry, and then from the competition of better quality products from abroad. A quick look at the objects present in a Russian home or office will confirm the quasi-absence of products manufactured in Russia. Heavy industry still enjoys a small market, thanks to state-sponsored orders or exports, such as military equipment or space-related goods (satellites, rockets, etc.).

Before the government embargo on Western produce, agriculture was nearly absent from the airwaves, as long as no climatic catastrophe approached Moscow. Life in the countryside is very different than in a megapolis such as Moscow or St. Petersburg and the vastness of the territory does not help reduce a feeling of remoteness—be it physical or psychological. Most of the former state farms have been privatized but most are still connected to the government one way or another. Many talented young people left the countryside for the towns, leaving few competent talents to take over farms that had already been poorly managed under Soviet rule. Despite its gigantic potential (with about 200 million hectares of arable land ready for use), agriculture is not seen as a strategic sector.

An Economy in Crisis

Following the annexation of Crimea, several major economic blocs (roughly all the NATO members plus Japan) announced sanctions against

Russia. In practice, those sanctions strongly limit Russian State enterprises (in particular banks) from having access to the financial markets of those countries. A list of equipment considered as dual-use for military purposes has also been banned, together with military goods. France subsequently cancelled the delivery of two Mistral-class ships, while Germany cancelled the delivery of a training camp in Russia. Several dozen officials were also barred from entering the signatory countries.

In a tit-for-tat move, the Russian authorities have announced in 2014 an import ban on agricultural products coming from the above-mentioned list. Such action was designed both as retaliation but also to boost national production.

Yet, the real crisis emerged in mid-2014 when the global price for crude oil suddenly plunged from 100$ to less than 50$ (see graph in Fig. 6). With an economy so heavily dependant on oil, the ruble immediately started to depreciate, losing more than 50% of its value against the USD or the Euro in a few weeks. With access to cheap foreign

Fig. 6 Crude oil price evolution 1995–2017 (Reprinted with permission from Andrei Petukhov)

produce severely restrained and a currency drop of such magnitude, the Russian population saw its purchasing power quickly diminish.

This readjustment of oil prices in international markets hit the State budget hard. With costly military engagements, the government has little room for adjustment and is forced to brutally reduce expenses in nonessential areas such as social services or education. The number of wage arrears in Russian regions dependent upon State orders has steadily grown in 2015–2017. Skilled monetary policy by the Central Bank avoided an even more painful situation, However, many believe Russia has now entered an economic period of long-term mild crisis, or—at best of stagnation.

What's Next?

Russia has enjoyed regular cycles in its economy: long periods of stagnation interrupted by intense periods of growth and development. In the twentieth century, the growth periods were before WWI, after NEP, after WWII, and after Perestroika. The latest surge that occurred in the 2000s is probably half due to the consequences of the market liberalization following the end of the Soviet Union, and half due to unexpectedly high commodity prices. With an oil price stubbornly under 50$, current figures suggest stagnation is looming for the coming years.

With an open disinterest in the scientific community and the academic world, Russian leadership will have a difficult time fostering growth from innovation, whether in the IT sector or the biotech field, for instance. The industry is likely to maintain itself at existing levels thanks to the strong demand from Russian households for equipment and cars. Russian factories are becoming assembly plants for products designed abroad by foreign brands, for the national and former-USSR markets.

Might the salvation of the Russian economy lie once again in its vastness? If no one can predict the fate of Russia's oil business, sooner or later, Russia will be an agricultural superpower. The physical predisposition of the country makes it a potential Garden of Eden. From its perceived limitless energy resources (gas, petrol, metal, coal, etc.), to its vastness spread over many latitudes, ready to become an agricultural giant, Russia has

everything to be the best place to live in the world. Its climate is rigorous but not life threatening, and remains a good protection against epidemics. Natural disasters are mostly in uninhabited areas (few earthquakes, tsunami, forest blazes are relatively rare), and its central position (unlike Australia or Argentina) should make it a natural commercial giant.

PART 2: The Shaping of the Russian Mentality

A Country of Appearances

Russia is a High Context culture; it means that not everything said should be taken literally. Russian jokes often have several layers and Russian movies are often very deep. This phenomenon also explains why, when talking about Russia, at one point the discussion always goes into knowing the "real" Russia, the Russian soul. The Russian cultural experience is a genuinely dual phenomenon.

To truly understand Russians, it is necessary to be aware of both worlds. Inside, or off the scene, Russians are frequently different from the image offered to the rest of the world: Rude with strangers in the street but lyrical when declaiming a toast; not caring about basic community duties but dedicated beyond limits to helping a friend. Such examples and many others show how much the inside view is different from the outside view in Russia.

In order to better understand the extent to which many assertions made in Russia may not conform to reality, it is important to introduce the notion of "almost reality". Russians, through their fatalistic approach to life and their remoteness from the world, have always had a tendency to conceal the full reality. For proof, one of the main actions of Gorbachev when introducing the Perestroika process (meaning Reconstruction) was Glasnost, i.e., transparency.

Like any nation that is insecure with its own values and future, Russia had to stretch the facts in order to be in line with official decorum. The consequence is an unpleasant feeling for foreigners (and Russians too, actually) of living in a dream (or a nightmare) world, in a place where most of what you see or hear is fake.

The first disturbances come from the scientific sphere. No one doubts the greatness of both Russian and Soviet science. However, one may become puzzled when hearing that Popov invented radio and Yablotchkov the electric light bulb. Only the first inventor to register a patent or an article in some scientific journal or conference is entitled to claim the discovery, and the Russian scientists knew that. Unfortunately for many of them, some foreigners reaped the fame abroad. It did not prevent the Soviet government from proclaiming the Russian scientists as the sole discoverers of these breakthroughs. Similarly, it is supposedly a Russian captain, Bellingshausen who discovered Antarctica.

This tendency of concealing reality has many ramifications in everyday life. When doing repairs in an apartment building, we do "Remont" meaning placing some nice panels on the walls and linoleum on the floor: Complete repair, called "Euro-remont", is rarely done. Beneath this thin cover, you still have the same rusty, dusty and cracking building.

Many books already presented this joke: Americans love their country and do not understand why foreigners do not. Russians despise their country and do not understand why some foreigners actually feel the same about it! The truth is not that simple, however. Like any citizens, Russians have strong patriotic feelings and therefore want to show the best of their country. By living in it from childhood, people are very aware of the limits of the government and the society, especially the ones who have had the opportunity to go abroad.

Nevertheless, the government has little choice but to advertise a rosy world. No government in the world would consciously present the constant shortcomings of its country. The Soviet Union excelled in it unconsciously. Numerous foreign delegations to Moscow, Leningrad or Sochi (they rarely went beyond these areas) were shown a well-prepared package.

If Stakhanov's deed was debunked, it is difficult even today to distinguish between truth and myth as the shortcomings of the communist system were so numerous, we linger in the "almost truth" most of the time.

It is also difficult to understand how regular Russians live in Russia. To better understand the "Russian soul", it is crucial to focus on the outer layer of culture, the artifacts, that is, what we see. And, in Russia,

what we see may be very misleading. The controversial story of the "Potemkin villages" is to be kept in mind. While the Empress Catherine II was to visit new settlements in the south of Russia, her lover, Prince Grigory Potemkin was in charge of the project. According to the legend, the development did not go as planned and lagged far behind schedule. In order to show some astonishing results, it was decided to move soldiers dressed as peasants along the Dnieper and to arrange them far from the road the Empress was supposed to take and thus give the illusion of newly built villages.

Historians disagree upon the veracity of this story. Nevertheless, its existence gives some hints about Russian culture: Plans not being followed, and creating a fake reality are two aspects of it.

The Feeling of Humiliation in Russia

While Asian cultures are concerned with saving face, Russia has a paradigm linked to humiliation. Being a power-oriented culture, the Russian mentality's alpha and omega is all about being strong or weak. The weak are humiliated by the strong. Thus, quite understandably, the period of the 1990s following the end of the Soviet Union was not only understood as a period of weakness, but of humiliation. Logically, the current leadership is trying, quite successfully, to strengthen Russia at any cost.

Although it is understandable that a population that used to be an empire that influenced the world feels shaken when this empire collapses, Russia is not the only case in history. In the past century, several empires have collapsed: the Turkish, the Austro–Hungarian, the British or the French. In each situation, little attention was given to the social and political consequences of this loss of Empire because, in essence, they lost (a war, or a political battle, or both). Russia is the last one on this list, and the effects are very new—barely two decades.

It is always easier to blame external enemies (real or supposed) instead for one's own demise. Thus, the loss of the Empire has become a humiliation inflicted by foreigners. Curiously, this reference to a

supposed humiliation was nearly unheard of in the 1990s. The 'West' through various programs (EU TACIS, World Bank, NGOs) has actively sponsored the elite of Russia, often covering all the costs of their trips abroad. In parallel, Russia was invited to join the Group of 7 (to become the G8) although the country did not qualify for any of its entry criteria. NASA proposed to its Russian nemesis to create the International Space Station, and hundreds of Russian nuclear scientists were paid by the US government to prevent them from scattering the sensitive technology abroad. Even militarily, Russia was given a special observer's seat at NATO headquarters, a clear sign of Western openness.

The influence of former KGB personnel distorted the discussion, as this category of people felt humiliated by their former Western opponents, just as former members of the East-German Stasi might not feel comfortable with Germany's reunification. Now that Russia has not only recovered but also outperformed its Soviet economic prowess, it is tempting to use the same paradigm of humiliating/humiliated and to analyze the collapse of the Soviet Union as a humiliation by the West.

The Russian leadership follows a tradition model inherited from tsarist and communist times: Russia should keep a buffer zone around its borders to protect itself from foreign threats. The reduction of this zone (seen of influence) is understood as a direct provocation by those foreign forces and must be prevented at all costs. However, locked in a logic of force, Russia has no model of society to present as an alternative and needs to rely on financial assistance and brutal threats. The demise of Ukrainian president Yanukovich, a man with a similar vision as the Kremlin, followed by the exposure of his corruption-paid mansion clearly shows that strength and humiliation remain exclusive extremes of the mentality in this region.

Curiously or not, most of the recent spats between Russia and the 'West' have taken place with countries like Poland, Estonia, Latvia, or the Ukraine (all of them culturally not so distant from Russia). This leads many to wonder if this supposed confrontation between the 'West' and Russia is not more a posture by Russian politicians to distract attention from their own scandals than a culturally rooted opposition.

Nostalgia

The loss of certainty is probably what the Russian population feels the most nostalgic about. As people recall, they did not have much but they did not have to worry about anything. From the cradle to the grave, Soviet power, following a socialist ideology, took care of the basic needs of the entire population. Housing, food, and work were a right but the choice was limited: Kommunalka, deficit, and bureaucracy were the reality. However, some say that things were better, undeniably, for that part of the population which did not care about the drawbacks. The main one was the lack of personal freedom. Next was the absence of information about the rest of the planet (There was no question of a free press, of course.).

Russians are naturally nostalgic about the past. It is in human nature to be so when the present is not pleasant. However, claims that life was better before are difficult to verify. After all, everyone idealizes his youth. How many times have older people explained that winters used to be different, or that fruit was tastier in the old days? Ask any pensioner and he will also say the 1960s were the best of times. Being nostalgic for one's youth is natural.

Life in Russia today is extremely hard for a large part of the population. Yet, life in Soviet times was in fact not much better. The main criticism today concerns the prices of goods and appliances, and indeed shops in city centers advertise astronomical prices, often higher than in Western Europe. However, it is not always fair to focus on such goods because most were simply not available 20 years ago. As for other consumer goods such as washing machines, kitchenware, construction tools, clothes, knives, or the notorious Coca-Cola and jeans, it was not impossible to find them, but the prices were then very high.

Finally, the goods of basic necessity, such as food, are often in the line of fire. Shops indeed sell some basic goods at very high prices compared with the average salary or retirement pension. However, the basic, brand-less, low quality, Soviet-style goods are still to be found in shops and markets. For low-income pensioners, the high prices concern in general, imported goods or simply goods of European quality but most

often to housing-related fees such as heating or electricity; in other words State-sponsored services.

Another reason behind a certain degree of nostalgia in the older population has to do with values. Most Westerners are in the wrong when they believe the Bolsheviks and Communism brought progressive ideas to Russia. Actually, postwar Soviet society was very conservative regarding family values, sexual education, or behavior in society. For instance, homosexuality was considered a punishable crime, exposed unfaithful spouses would be shamed at work (with their name on a board by the entrance gate), marriage at an early age (soon after graduation) was expected, as well as a couple's duty to have children (a tax existed for childless couples). Most of those attitudes remain present in today's Russia as a recent law against "homosexual propaganda" showed.

The end of Soviet Union, allowed people to travel, interact with other cultures and brought a degree of liberalization to the society. Promiscuous sex became tolerated in the 1990s. Homosexuality, while widely not-tolerated, became more visible. Drug usage spread uncontrolled as well as crime—the usual consequences of a societal cataclysm. Therefore, quite understandably, many people regret the golden age of the Soviet order. But the same is true in the West, actually…

The Notion of Quality

The housing shortage illustrates another constant problem for the population, the lack of quality. Imagine a life in which everything comes back to the central government, a life in which private initiative is associated with punishment, in which production comes first and quality last. Such was the Soviet system in terms of service. It needs to be understood that the lack of service is not a consequence of the system, but the very essence of it. It was engineered to be so.

In the Soviet Union, light industry, consumer goods, and services were largely ignored by the leadership. Household appliances were of extremely poor quality. With large production facilities ignoring

concepts such as productivity, a very large chunk of the Russian population is relatively uninterested in making profits for anyone except themselves. The result is a kleptocracy, a historic problem in Russia as was illustrated by nineteenth century Gogol's "Revisor". Corruption comes from a high tolerance for the private use of public goods. This does not mean burglary or offensive felony, just taking here a bag of cement, there a "business" trip, or simply some wire from the street lamps to sell them by weight.

"Pofiguism"

If all the above-mentioned points directly influence the overall low level of wealth in Russia, probably the most determining factor lies in widespread negligence, called "Pofiguism" in Russian slang, meaning something like "off-handedness". Even before the Soviet Union, all the rulers, from Peter to Alexander II, have been hampered in their attempt to catch up with the West by a lack of professionalism among the Russian population. Many reforms (such as the municipal ones under Catherine) were postponed or failed because the country did not have sufficient skilled personnel to implement them throughout the country.

But the situation was getting better at the turn of the twentieth century. Russia had acquired numerous techniques and methods from the West and was relatively competitive in a number of markets.

The Soviet ideology stopped this process short. Focused on the workers (and not on the peasants, nor the intelligentsia), it had as a cornerstone the principle of rewarding toughness. The more difficult a job was, the more benefits the worker could enjoy. The most "well-off" workers were those working in the North of the country, above the Polar circle, in very difficult climatic conditions. However, this was not linked to any noticeable efficiency…

One main consequence of this idea was a rapid drop in productivity. With a vast territory and the feeling of inexhaustible resources, Russian agriculture and industry have never been much concerned with

productivity. If it takes four times more energy to produce steel than in the West, so be it. There is oil, gas, and coal; so why modify processes?

Rewarding difficult jobs meant there was no incentive to find an easier way to do something. With such an attitude, the Industrial revolution in the eighteenth–nineteenth century in Europe would have never taken place!

By constitutional right, it was mandatory to have a job. But of course, this "right" also means an obligation to work, at least to do your best at work. Cumbersome procedures, Dantesque bureaucracy and no personal incentive to do one's best led to widespread waste and negligence. If the plan said to produce a certain number of goods, it did not specify that those goods were supposed to be in working condition. Although each production site had its own quality control department, the quantity produced always prevailed over the quality.

Trust in Russia

Interestingly enough, each time a catastrophe hits Russia, an investigation is ordered "directly" from the president, as if the judiciary system could not operate on its own (it can, of course). This tendency shows, among other things, the lack of trust in the Russian governmental services: The link is direct between the head and the population. All the middle strata are shunted aside. This is typical of a system without trust.

A growing trend on Russian roads is to equip automobiles with video cameras in the front and at the rear of the vehicle. These videos, without sound, film as soon as the car moves, and record everything that happens, no matter what the driver does. The goal is double: to have proof in case of an accident, and to be able to defend oneself against corrupt street policemen. In time, it enabled the world to watch meteorites fall on Earth with great detail, like in Chelyabinsk, in 2013!

This practice, not unique to Russia, but extremely widespread there, is a clear sign of the lack of trust in Russian society. People lack trust among themselves, but they also lack trust in the authorities.

Where Russians Live

True or not, the story of Potemkin villages shows a constant willingness to develop towns in Russia. Russians are used to living in a country where bigger towns are naturally the centers of attraction. Soviet times saw a massive rural to urban immigration. Cities in Soviet Russia grew extremely fast as the country was transforming itself from a semi-agricultural country into a fully industrial one. The peak of this change happened during the 1920–1930s, at the time of Stalin's industrialization and collectivism, and again after WW2, as many villages and towns were destroyed during the war.

While apartment blocs were built, existing ones were split among several families, turning them into "Communal apartments", called Kommunalkas. It is important to stress that people did not choose to live together. The myth of a collectivist Russian mindset needs to be demystified. It is, of course, possible to find people who have happy memories of such a life. However, usually, they are the ones who stayed while others moved to their own accommodation, at any cost.

In today's Russia, even if Kommunalkas have nearly disappeared (around 5% live in such places), several generations living under one roof (in one apartment, to be precise) is still not uncommon. Many newlyweds live in a room in the apartment of their parents, where the grandparents (usually the granny alone) also live. Yet, it would also be simplistic to jump to the conclusion that Russians are very family oriented and like to live together. If families live together in one apartment, again, it is not by choice.

The administrative barriers (registration at an address must be declared to the authorities), the shortage of available apartments, the inefficiency of municipal services in connecting new construction to city infrastructures (water, natural gas, heating, etc.), and the speculative real-estate prices prevent many new couples from envisioning their own apartment any time soon. If marriage is the social condition for having a "serious" relationship, one common drawback is that the couple has to live with the in-laws…

PART 3: Cross-cultural Communication/Business Culture

Hierarchy

This is probably one of the most important dimensions when dealing with Russia. Cultures may have a high hierarchy, with a high power distance, with many levels between the lower part of the group and the leader. On the other extreme, cultures can be flat, without too many layers between the base and the top of the organization.

Russia is one of the top scorers of high hierarchy in the world, in the league of India and China. In Europe, it is surely the most hierarchical culture. The concept of hierarchy does not only imply organizations such as a business with a very strong organizational structure. It also implies an acceptance of hierarchy in the society, in general. People in high hierarchy cultures acknowledge differences between people: between powerful and not, between poor and rich, between educated and less educated, between generations and of course between genders. Driving on Russian roads quickly gives a vivid illustration of this power-orientated culture.

If one accepts the hierarchical nature of its culture, cronyism is not seen as an abuse of power, but merely as a perk of power. Corruption is not necessarily seen as some immoral action, simply as ways to get access to the power of someone higher-up.

If Russia has a strongly hierarchical society, this is something deeply rooted in history. For instance, the Soviet society, though egalitarian in the words, never turned its slogans into actions, as it was indeed a very hierarchical system. For instance, trains had three distinct classes…

Also, being a member of the Communist Party was not at all automatic, one had to receive the privilege of being accepted. In return, party members (only 10% of the population at its height) received specific privileges such as discount prices, access to products in short supply, priority access to tickets or vacation trips, etc.… It was considered normal that party members, and consequently the high-ranking members, had a different life. All knew that the children of the intelligentsia had more access to trips abroad or were pre-selected to become heads of companies.

Elitist Education

The Russian hierarchical attitude also comes from its education system. First of all, not all schools are equal in level, and not all have the same type of educational program. In every city exist some "better" schools with the reputation of preparing students for better universities. In parallel, some schools are specialized in mathematics, others in humanities, still others in foreign languages. Till the introduction of a controversial national entry test (ЕГЭ), to enter a prestigious university, the name of the high school of origin (or usually number as schools are rarely named after a famous person) was almost as important as the grades.

As the pupils stay from 7 to 17 in the same school, this first choice is decisive for the future of the child. This system also builds strong relationships between children, but also with the teachers who enjoy (or better enjoyed, as we will see later) a sort of student-master relationship.

Hierarchy and Negotiation

The hierarchical dimension is key to understand the way Russian negotiation teams are structured. A Russian organization will rarely send a lonely negotiator with full representation rights from the HQs. Usually; several persons compose the delegation: several youngsters and at least a senior member. The younger delegates may be experts in the field involved, or fluent in the language used to discuss. The senior member, might not be always savvy in the technicalities, might not speak fluently a foreign language, but will be the one taking the decision. If the discussions are run at a high level of hierarchy, the head of negotiating team should match the title of the Russian head of delegation.

Once the Russians agree on the big picture (see circular thinking), decisions can be done on the spot; trusting nondecisive specialists can easily solve mere technical issues. At first glance, there is an illusion of collectivism (they come in the group), but in reality, this is simply the display of a hierarchical-orientated culture.

Ascribed/Achieved Status

Important people exist in any culture. However, why such person is more important than another differs. Some cultures favor past achievements, tangible results, and recent activities to push up the status of its members. Other cultures, ascribed, will focus on *who* the person is instead of *what* was done by him. Russia, despite having lived in an officially equalitarian, meritocratic soviet system for decades, features relatively ascribed tendencies.

Who you are is very important in Russia… to be important! Elements taken into account may be:

- Age: seniority is highly respected, youngsters are supposed to sit, learn and keep quiet;
- Gender: a gender gap effectively exists, with leaders being almost exclusively men, or women with a Pygmalion such as the former governor of St. Petersburg, Valentina Matviyenko, appointed thanks to her proximity with Vladimir Putin (a St. Petersburg native).
- Diplomas and specialization: Typically in ascribed cultures, what you studied is not as important as *where* you studied. Prestigious universities such as the Moscow State University or the Bauman Moscow State Technical University attract best minds also because of this status orientation. Having a PhD title is nearly required to enjoy recognition, even if it means speeding it up with some 'help' while already in office, many years after leaving student's life. Most ministers (and sometimes rectors) are awarded their PhD while already in office…
- Social connections: Whom you know tells how powerful you are (or at least you wish to appear). This is probably the most important element of this list. Namedropping is a classic feature when people meet for the first time: it is essential to impress the other one with a list of important persons one knows. Social connection can easily trump other criteria such as age, which explains why young managers can be appointed to a much higher position than their age would suggest, simply because of their relationship with the leader.

Showing off

If, traditional Russians used to behave in a humble and down-to-earth manner, the Soviet system has profoundly modified this element of culture. The term "deficit", meaning a lack of something, was a widespread leitmotiv till 1990… The Soviet system, so effective in producing state-of-the-art submarines or rockets, was not so good at coordinating the production of everyday goods, to say the least (like today Venezuela and its toilet paper production problems). Outside Moscow, everything was in short supply.

One way to be served properly was to have some sort of connection or above-the-average rights. Of course, the vast majority of the citizens had few special rights in this regard. So, sometimes, acting like an irritated member of the nomenclature could make up for it. All were equal but some were more equal than others… as Russians like to quote George Orwell's Animal Farm.

This habit of showing off one's disrespect for the sales personnel and of the other customers was rapidly exported by the "new Russians" as soon as they could fly abroad to spend their dollars. It did not help the image of Russian citizens abroad.

Today, after 20 years of exchange, the situation is going into normalization. Russian clients abroad start understanding that shouting rarely brings better service and that a smile actually might.

Russian Time

Patience

One of the main competitive advantages when doing business in Russia is to be patient. You wait in line at the customs, you wait for your host to show up, you wait during negotiations, you wait for the feedback, and of course you wait for a final answer! If you get mad, you lose. The best way, often, is to adhere to a real Zen attitude. Smile (not too much and not sincerely) and let the water flow under the

bridge. When Russians see that waiting do not bother you to the point of losing your nerves and to be influenceable, then you will notice that you start to wait much less. Just do not let them forget about you!

Polychronic Vs. Monochronic

If the Russian economy is often dubbed as "in transition", this term is even more applicable to its business culture. It is particularly true regarding this cultural dimension. Interestingly, many Anglo-Saxon theories of management taught in Russian universities and implemented by the first foreign (many German) companies at the end of the Soviet period have profoundly altered the Russian management. Russians naturally enjoy working in a polychromic environment, but they strive to behave in a monochronic way. In other words, they plan a lot (office hours, 5-year plans, etc.), but usually change the plan before the deadline!

Everything in modern Russian company brings to mind the monochronic approach: thick contracts are signed, the government has many ambitious plans (used to be 5 Year plans), appointments are made in advance and confirmed by email, the opening hours of the office are clearly posted on the door… At first glance Russians have a very linear, monochronic relationship toward time.

The paradox appears when we look more closely: The contracts are worth less than the mutual trust between the signatories, none of the 5-year plans was ever fulfilled, appointments confirmed three times are postponed at the last moment, you are likely to find closed doors if you trust to the opening hours of an office, an appointment is constantly interrupted by the secretary, phone calls, a colleague: in short, it is extremely rare when anything goes according to the plan! Russians know it, and feel very comfortable about it.

Despite efforts to behave in a monochronic manner, Russian managers remain deeply polychronic… In other words, a leopard cannot change its spots!

Fixed or Fluid

Russians are moderately fluid. It means they tolerate a little delay when meeting each other. Social calls are expected to be starting with 5–10 min of adjustment time? Besides, in large towns such as Moscow or St. Petersburg, it is expected that visitors might be delayed by traffic or simply take time to find the location. So, we could say Russians, compared with other cultures, are relatively on time, but without being extremists of it.

That being said, foreign visitors are expected to be on time. This is true in every country, not only Russia.

The Russian host, on the other hand, might be late voluntarily, to show one's supposed power. Many foreign guests had been kept waiting up to several hours at the Kremlin for this reason.

Past/Present/Future

While Russians are often obliged to focus on the present issues because of the chronically perceived instability, they are overall past orientated. How old a company is, how long it has been on the market, who was the founder, has the main product been fully tested, and other past-related elements are essential in doing business in Russia. Knowing this particularity, most retail companies in Russia (foreign or local) advertise every year their anniversary!

I.T. products are very popular in Russia being mostly status symbols (a lot of users were displaying smuggled iPhone before the local launch, even if many features were de-activated).

Collectivism Vs Individualism

Reading newspapers and other books on Russia, you cannot help asking one question again and again: Are the Russians individualistic or collectivistic?

It is generally accepted the many years of Soviet ideology have fundamentally changed the character of its inhabitants, and thus Russians think in groups

We also hear, mostly form elderly people, that everything has changed (for the worse), that today's Russians are selfish, materialistic and individualistic. Examples frequently cited are a lack of civic behavior, infrequent in Soviet times.

From a purely cross-cultural management point of view, this is a challenge because the notion of Collectivism versus Individualism is heavily loaded with political meanings.

Historically, Russia is a strong communitarian country, where "village communities" had a central role. They were called in Russian "Мир" as the *world*. The land belonged to the community and was divided equally. It is on this fertile ground that the Bolsheviks had little difficulty in disseminating their communist ideas. The country's size and the harsh climate had fostered a sense of community centered on the village, or more precisely focused on the family.

However, this system, in reality, was not as egalitarian as many would like to believe today. Leaving the community was not easy and involved many extra efforts: Collectivism was as much needed as it was imposed.

Also true, Russia has always been a country of towns. Villages, as understood in Western Europe were actually few for such vast territory. Living in a large town is not a new concept in Russia. There have always been relatively big towns in Russia, where the inhabitants were free of serfdom.

The Soviet rule has upset this balance by superimposing a pseudo-egalitarian, pseudo- collectivist layer.The peasants had no choice but to work in teams, in farms (Kolkhozes), in factories, in the city life (demonstrations, such as May 1st) and even in sharing same apartments (Kommunalka). Having a one-party political system following a single ideology also suggested a collectivistic mind.

The end of this regime has surely torn this collectivist and egalitarian layer but did not alter deeply Russian values. The situation today is that the core of Russian society remains focused on the family and teamwork. The country leadership is balancing between reviving a patriotic spirit and recognizing the right for individuality.

In practice, all this leads to a clear breach of civic rules (Litter makes streets and staircases dirty) but a very strong respect for its immediate environment as in the apartments where most Russian wear home clothes and indoor slippers are immediately proposed to visitors.

Russian Locus of Control

A constitution is the founding document, which usually sets the tone a society wishes to follow, stating in a meticulous order its priorities.

While the United Kingdom notoriously has no constitution but a legal system based on the common law, the 1st Amendment of the US Constitution guarantees the freedom of speech, ideas, and religion. The French Constitution claims that all men are born equal and the secular, republican spirit is clearly stated.

The Russian Constitution begins as such:

We, the multinational people of the Russian Federation, united by a common destiny on our land, asserting human rights and liberties, civil peace and accord, (…) hereby approve the Constitution of the Russian Federation.[1]

The referral to fate is striking. Russians feel and state they are bonded to this land, with no reference to freedom, choice or equality.

From a cross-cultural point of view, this refers to a concept called Locus of control. People who feel their life does not only depend on their actions but on "external events" are associated to a "constraint" or "externally controlled" culture. Spontaneously, Russians acknowledge there is destiny, that individuals do not master their own life.

It is the general relationship to the Nature, to the surrounding that is involved here. This has many implications in the Russian character but also on business issues. For instance, constraint people take proverbs and superstitions seriously. A few of them are:

- Do not shake hands under a doorframe,
- Do not whistle indoor (do not whistle at all is best)
- Sit a few seconds before a trip,

- Look in a mirror if you came back to pick up something you'd forgotten,
- Offer flowers in an odd number (even numbers of flowers are for funerals)

The space of the country is of course not foreign to this feeling of fatalism. Russia is a country that developed in an organized way, with settlers going east to populate the new lands. Distances between towns and even villages remain today very long. A few centuries ago this feeling was probably even greater. Imagine that in a country so spread, if something goes wrong for you, you can virtually walk in any direction for days, weeks, or even months before meeting another soul.

From a different angle, it may also mean that a stranger coming to your hamlet may be anyone: a new Tsar envoy may be perceived as a bandit… If you add also the terrible weather conditions in most of the country (very cold in winter, very hot in summer), then what comes from "outside" is not necessarily good.

The relative forgiveness to some corrupted or incompetent leaders is also greatly explained by this approach. Consequently, the notion of "controlled democracy" is rather well understood in Russia and much less in Western countries.

Locus of Control Applied to Business

Because Russians have a constraint behavior, they believe they have little control of their life and that external events will ultimately shape their own destiny. Elements influencing their life can be the size of the country, the climate, but also the government or simply luck. If a delivery truck is late in winter, it is because of the snow blocking the streets, and not because the planning was not ideal.

It has an impact on the image of the ideal manager. Controlled people favor visionary leaders who are able to nearly foresee the future, and plan accordingly. Constraint people will follow a leader who is seen as resourceful, who is able to react quickly to any sudden event. Therefore, knowing many influential people is seen as a clear sign of power. The

one who has many contacts in the administration is able to navigate successfully the stormy waters of Russian business environment!

This is why, many controlled managers have a hard time when working in Russia. Although they are surrounded with talented subordinates, they often have the feeling of working in a messy way simply because they keep seeing others 'doing their best' to solve issues while they would expect problems to be thought ahead in order to avoid them. Displaying great energy (and stress) in solving problems is seen in Russia as a clear sign of competence. Quite naturally, each time a catastrophe happens in the country, the leaders promise to take measures to fix the problem… till it happens again.

Ultimately, the main reason behind your problems in Russia is bureaucracy, the answers of Russian to it being: You are in Russia! It means there is nothing we can do about it.

Particularistic Russia

Particularistic societies are those in which particular circumstances are more important than rules. Universalists are inclined to follow the rules—even when friends are involved—and look for "the one best way" of dealing equally and fairly with all cases. It does not mean particularistic individuals favor a law-less organization, quite the contrary indeed. Usually, those cultures have a very complex set of laws actually. But the human relationship comes first. If there are so many laws, it is because there are many exemptions!

Bonds of particular relationships (family, friends) are stronger than any abstract rules. One's response to a situation may change according to the circumstances and the people involved. Particularistic people often argue: "it all depends".

The Russian behavior is very much characterized by a particularistic approach. Such approach implies that the human factor is above the legal one. It means that in any situation you may have a "human" way to go around the law, even it you need to go to the very top, to the Tsar that rules above all living things and laws.

The power of those who can modify the application of such law is therefore tremendous. As an individual, you will always put an order coming from an individual before a commandment from the law.

All those terms do not involve a relation between an individual and the Law, but a human relationship of power. This "humanisation" of the legal system has also another implication in the way people behave toward the law: One does not follow or disrespect the law; one is either above or below.

The human factor is therefore central when talking about the respect of the law in Russia. One example that anyone who visits the Moscow Metro will reveal this point in real life: Foreigners may be shocked to see the way people behave in the corridors and the staircases of the metro. The surprise comes when one is about to step on an escalator. Although a wild crowd is usually pushing its ways toward the moving stairs, a curious evolution happens from the first step: All the travelers that were pushing their way through a minute ago are now standing on the right in an ordered way. That is to let the hurrying people go up or down faster.

This example is interesting because the etiquette is the same in the corridor and on the escalators, why such difference? The difference lays in the "diejournayas", those watching women (occasionally men) who will not hesitate to harangue the "hooligan" who dares not to bend to the custom. Passengers of the metro do not follow the law on the escalators, but a human order.

But Russians, like any particularistic culture, consider themselves very special. There is always an exception in Russia. Who did not hear such an easy answer: You do not understand you are in Russia!

Corruption

There exists a direct link between particularistic cultures and their level of perceived corruption. Quite logically, cultures that tolerate exceptions enjoy a very different comprehension of what corruption means.

Russia is famous for being the most corrupted developed country. Ranking 127th in the list of Transparency International, it has been called a "virtual mafia state" in which "one cannot differentiate

between the activities of the government and Organized Crime groups by Spanish prosecutor, José Grinda González, a specialist of Russian Mafia.[2]

Although Russia has always been corrupted (in tsarist and in Soviet times), the situation today is probably unique in its impact on the economy. Not only the High level of corruption in Russia handicaps foreign investments in the country, it also hurts very strongly Russian businesses. SME in Russia rank corruption by state officials the prime barrier to their development. More and more wealthy Russian entrepreneurs choose to save their fortune abroad, not to escape tax (which is relatively low) but to hide it from voracious raiders protected by their link to the State. Others are deciding not to reinvest their money because of the unfavorable rate of corruption in any deals: in other words, they decide not to invest money in Russia, not for moral values only, but because the amount of money spent to grease palms turns ventures unprofitable. Some kind of Lafer curve applied to corruption, not tax: too much corruption hurts corruption.

It is important to understand that corruption in Russia is not a by-product of the system: it is an integral part of it. It is permitted because the State does not rely on taxpayers' money to function (hence elections are not very important) but on natural resources revenues. Also, the absence of counter-powers (press, political opposition, civil society, etc.) means corrupted officials act with near total impunity. Thus, anti-corruption measures cannot work in Russia without changing the system, and it is unlikely in the near future.

When the power wants to get rid of someone, some corruption affair 'suddenly' emerges. Unless one of the key elements (dependence on natural resources and absence of counterpowers) changes, there are no objective reasons for a drastic change in the near future.

A Relationship Orientated Culture

In the autumn of 2003, the participants of the International Space Station (ISS) were confronted to cultural interpretation of the safety rules. New batteries were supposed to be sent to the ISS.

The Russian team, knowing the reliability of the devices, did not want to go through safety procedures that were tightened following the Columbia shuttle explosion. The Americans insisted on going through the testing… Whether or not the testing was subsequently implemented, this example shows the two approaches space specialists have towards safety concerns: In the US program, you need to prove it is safe, while the Russian line is" prove it's not safe"…

According to Fons Trompenaars, "*people from specific cultures start with the elements, the specifics. First they analyze them separately, and then they put them back together again. In specific cultures, the whole is the sum of its parts. Each person's life is divided into many components: you can only enter one at a time. Interactions between people are highly purposeful and well defined. People from diffusely oriented cultures start with the whole and see each element in perspective of the total. All elements are related to each other. These relationships are more important than each separate element; so the whole is more than just the sum of its elements. The various roles someone might play in your life are not separated.*"

Readers of this chapter already understood that Russia is a diffuse culture. In Russia, roles and status are combined with the private and professional sphere. This aspect creates situations that may seem curious to specific orientated foreigners dealing with Russians. A call from your boss at 11:00 PM after a business day to inform you about last moment changes in tomorrow's presentations is not surprising. In reverse, most Russian employees would naturally turn to their boss (or the representative of the authority) for advice, help or support in a wide range of subjects. In this logic, asking, say, a day off because a parent or a child is sick, or the permission to use scrap material of one's own use is not understood as perks or benefits but as a token of respect. Diffuse management in Russia means that even an authoritarian leader must care for its subordinates.

Stemming from cross-cultural management—and confirmed by seasoned managers in Russia—, a piece of advise given to a newly arrived expatriated manager would be: listen to your subordinates, show interest in their after-work life, express compassion and support when necessary, and make a speech at birthday celebrations. Life in this diffuse Russian world will be much smoother afterwards!

In practice, a cross-cultural situation may also appear quite dreadful to a Russian person dealing with a specific orientated one. For instance, brainstorming sessions are easily understood here as a covered-up tribunal of one's ideas. The more the other will be specific ("Do not take it personally, but…") the more the meeting may become unbearable. To diffuse people, ideas are not separated from personality and status. The notion of passing judgment on one's idea, without criticizing the individual, needs to be carefully explained in Russia.

Other business practices greatly influenced by such dimension are meetings and negotiation patterns. Typically, a diffuse person will start the discussion with small talk: family, politics, sports, weather, etc. … A discussion follows a centripetal spiral: first with subjects remote from the business world (weather, politics, family, sport, etc.) in order to get to know each other, and, finally the business subject. Business, then, is not the key element anymore, it is the quality of the relationship that is. The semi-conscious concept is to gauge the interlocutor. When a more precise image of the visitor emerges, business issues may start. The specific guest, wishing for the sake of efficiency, to "stick to agenda" and to "get down to business" is easily confused.

To sum-up, Russia is clearly relationship orientated. Getting to know people is a key to developing a business. The small talk is very important in order to find out the characteristics of the possible partner.

Over time, relationships are remembered and will be used if needed. One reason the agendas are constantly changing has to do with the necessity and choice to accommodate others agendas for the sake of the relationship. This can be quite pleasant when trouble appears, Russians usually accept to change their plans if you enjoy a good relationship with your counterpart.

Communication in Russia: Mind the Context!

The Russian culture is moderately "high-context". This concept, originating from American anthropologist Edward Hall, means interlocutors assume the other one is knowledgeable of the same background information, of the context the communication is taking place. Required

knowledge is implicit, patterns that are not fully conscious, hard to explain sometimes even to a member of that culture. The way of talking is hence appearing quite cryptic to the newcomer.

In practice, the uses of nicknames, inside jokes or corporate traditions are the most visible features. Alexei becomes *Liokha*, Anna is *Anya*, Stanislav is called *Stas* and Alexander is *Shura, Shurik, Sasha, Sashka, Sashura,* or even *Sanyok*! The newcomer needs to be introduced to all this initiation to belong to the group. The newly expatriated manager locked in the office without learning these "folkloric" traditions is surely going to have a hard time working in Russia and is likely to have a moderate (if any at all) authority among the local staff.

This is because such cultural dimension is also linked to the notion of hierarchy. High-context cultures favor the use of titles, levels, and distinctions. Again, presenting your manager as *Professor* Ivanov has its own loaded meaning. The use of *Vy* instead of *Ty* is another mark of the necessary distance that exists between people. Undermining this point may create some frustrations toward one's Russian colleagues and subordinates. Hence, it is advisable to clearly state diploma and titles on business cards (PhD, MBA, etc.) and to let every one of the staff have their own. There is not such thing as a flat organization in Russia.

Following this logic, words are not always as important as the context, which might include the speaker's tone of voice, facial expression, gestures, etc. Consequently, face-to-face discussion is the standard for business in Russia. Although the telecommunication infrastructures allow talking on the phone (which is very much used) or to send faxes and emails, the traditional Russian business person regularly goes on "komandirovka" (business trip) in order to talk about the deal in direct.

A Circular Way of Thinking

High-context cultures such as Russia favor a circular way of thinking. When a set of problems needs to be addressed (such as discussing a contract) circular thinkers will approach the deal as a whole. In the opposite direction, linear thinkers like to resolve problems one at a time. Therefore, when two teams with opposite thinking models meet,

frustration may run very high. One team will wish to solve all the issues present on the order of the day while the second one will focus on reaching a general deal where long term relationship and vision outweigh the technical details. In order to reconcile those two models apparently opposite, one way is to plan ahead, with a representative of each team, a flexible order of the day with the possibility to alter it till the last moment.

Finally, the schedule needs to be precisely planned with numbers of breaks to allow the Russian side to recap the past discussion (especially if the discussions are not conducted in Russian) but more importantly to allow necessary one-to-one small talks useful to clarify misunderstandings and defuse burgeoning frustration.

To conclude, we could say Russians are moderately high context. Once again, the supposed Asian influence is quite absent. Actually, Russian features both elements of low and high context cultures. On the low context side, Russians do like precise information, especially in written form. Letters, emails or PowerPoint presentations may be overloaded with details, in order to provide as many specifics as possible. However, in oral communication, Russians display relatively high context habits. Therefore, in case of emergency (often, because of its particularistic/constraint features), a phone call is favored over written communication.

Direct/Indirect

Russians are, overall, relatively direct in their communication. However, the situation will have a strong influence. For instance, Western powers diplomats are regularly surprised (even shocked) by the direct approach of their Russian counterparts. Contrary to many countries, the diplomatic line of Russia is very clear.

In business, Russians will also display direct communication style, but the situation might influence it. Actually, it depends exclusively on the degree of hierarchy existing in the relationship. If the discussion is top-down, the style can be very direct, even brutal. This is a constant problem foreign manager's face when they have to manage Russian subordinates, as their communication appears not clear enough. On the contrary, when the communication is Down to Top, the style will be quite indirect, in

order not to embarrass the person seen as having a superior status. In public, a Russian subordinate will never tell the boss is wrong.

When the relation is equal, then the communication style is quite direct, with ideas presented clearly and without coating.

Organizational Structure

Russia is a Hierarchical and Diffuse society. It implies managers have a very respected position within an organization. From the outside, the communication style of the manager does appear direct and emotionless. However, from the inside, a manager must display a paternalistic behavior with the team. This means being demanding and controlling each individual, but also trusting and caring for those subordinates.

Typically, Western managers are accused not to engage themselves enough by keeping a distance with their local staff, and not to trust them enough by controlling in an inappropriate manner. A Russian manager often plays the father (or mother) figure within the team and the organization itself: No matter what happens, a manager is supposed to stand by the team, to cover it. Public criticism of a member of one's own team is immediately seen as a loss of trust, as a humiliation. President Medvedev accused the former mayor of Moscow Yuri Luzhkov of having 'lost his trust' to fire him.

However, behind closed doors, the criticism can (and often is) very violent, personal and in front of the other team members. This is acceptable, as long as the trust that such rebuking is not to be made public, outside the team.

This attitude explains why Russians can be extremely protocol orientated, while displaying very loud and familiar behavior in a private environment.

Haptics and Proxemics

Contrary to stereotypes, Russians have a low tolerance for physical contact in social and business relationship. While a handshake is common between men at the office, women usually say hello without contact.

Hugs are not very common and a pat on the shoulder will be for really close people, usually family members. Only people considering each other friends will kiss on the cheek. To prove wrong the famous graffiti Fraternal Kiss by Dmitri Vrubel on the Berlin Wall, men rarely kiss in Russia. It is actually ironic to think that displaying Leonid Brezhnev's behavior today would surely be sanctioned as propaganda of "non-traditional sexual relations"…

As far as physical distance between people is concerned (Proxemics), Russian can be considered very close. It is particularly striking when observing people lining at an ATM, with a 'discretion zone' being more virtual than physical! Customs agents in Russian airports regularly have to ask passengers to wait behind the yellow line, and not come together in front of the window despite clear sign forbidding it (particularistic culture…). Foreigners visiting the country often have the feeling people behind them are trying to look over their shoulder, and feel uncomfortable. Frequently, passengers entering public transport during rush hours feel somebody's finger pushing their back to make way.

Conclusion

Russia's obsession with strength is closely associated with its desired position in the world: That of a powerful, independent country that has an influence on world events. Geography is one of the sources of this image. Following the fallacy that large territory = large population = powerful country, many Russians are convinced their country is meant to play this "big" role in the world. The other sources of this vision are the size of its nuclear arsenal (the world's largest), and, of course, its wealth of natural resources. Defense, land, and resources allow Russia to be self-sufficient if needed, a rare—if not unique—capacity in today's interconnected world.

The recent foreign adventures (Georgia, Crimea, Donbass, and Syria) has showed the world and maybe more importantly, the Russian population, that Russia is back on the international stage. Those actions have been carefully wrapped into a massive media coverage in order to leverage its effect on the viewers: in a power-orientated country living in a

media era, how strong you appear easily trumps how strong you really are.

This belief in its self-sufficiency, allied to an ever-present calling that the country has a mission to play in the world, largely explains the confident and even martial attitude displayed by the Russian leadership recently. Whether diplomatically (Syria, Ukraine), economically (Gazprom's strategy in Europe) or internally (hundreds arrested during anticorruption protests, closure of the Jehovah Witnesses organization, the introduction of Blasphemy laws, censorship on the internet, etc.), Russia intends to play hardball.

However, this fervently believed strength has one central Achilles' heel: it is dependent on external elements, in particular, the price of commodities. The sudden drop in oil prices together with the sanctions and counter-sanctions have seriously impacted the standard of living of the population. Despite strong incentives, local producers have difficulty proposing national substitutes for the foreign banned produces. The exchange rate drop of the Ruble has significantly reduced the purchasing power of all. Today's Russia suffers the classic limits of petro-economies: the dependence on commodities has hampered the development of other industries.

By focusing exclusively on the development of natural resources, through a state-controlled oligarchy, at the expense of an open economy and society, the Kremlin has indeed intensified the fragility of the country to face the future. After one decade of rapid resource-based growth, stagnation appears as the most optimistic scenario for the future. This economic slowdown is likely to trigger discontent among a population that will no longer tolerate a high level of corruption and cronyism if its personal well-being is at risk. Because the political system in place prevented a legitimate opposition to blossom, the temptation will be strong to fill an empty political ideology with religious values or new foreign adventures. This course would limit the growing resentment from home-gown hardliner nationalists that tend to become uncontrollable.

The Russian culture, traumatized for most of the twentieth century, has not been allowed to settle and mend its historical roots during the turbulent post-Soviet period.

There is every reason to think that Russian identity will stabilize no time soon, given the uncertain and highly fragile path taken by the country recently.

Notes

1. Мы, многонациональный народ Российской Федерации, соединенные общей судьбой на своей земле, утверждая права и свободы человека, гражданский мир и согласие, (…) принимаем Конституцию Российской Федерации.
2. *Quoted by WikiLeaks.*

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